



International
Labour
Organization



▶ Making Climate Change Socially Just

The Role of Social Protection

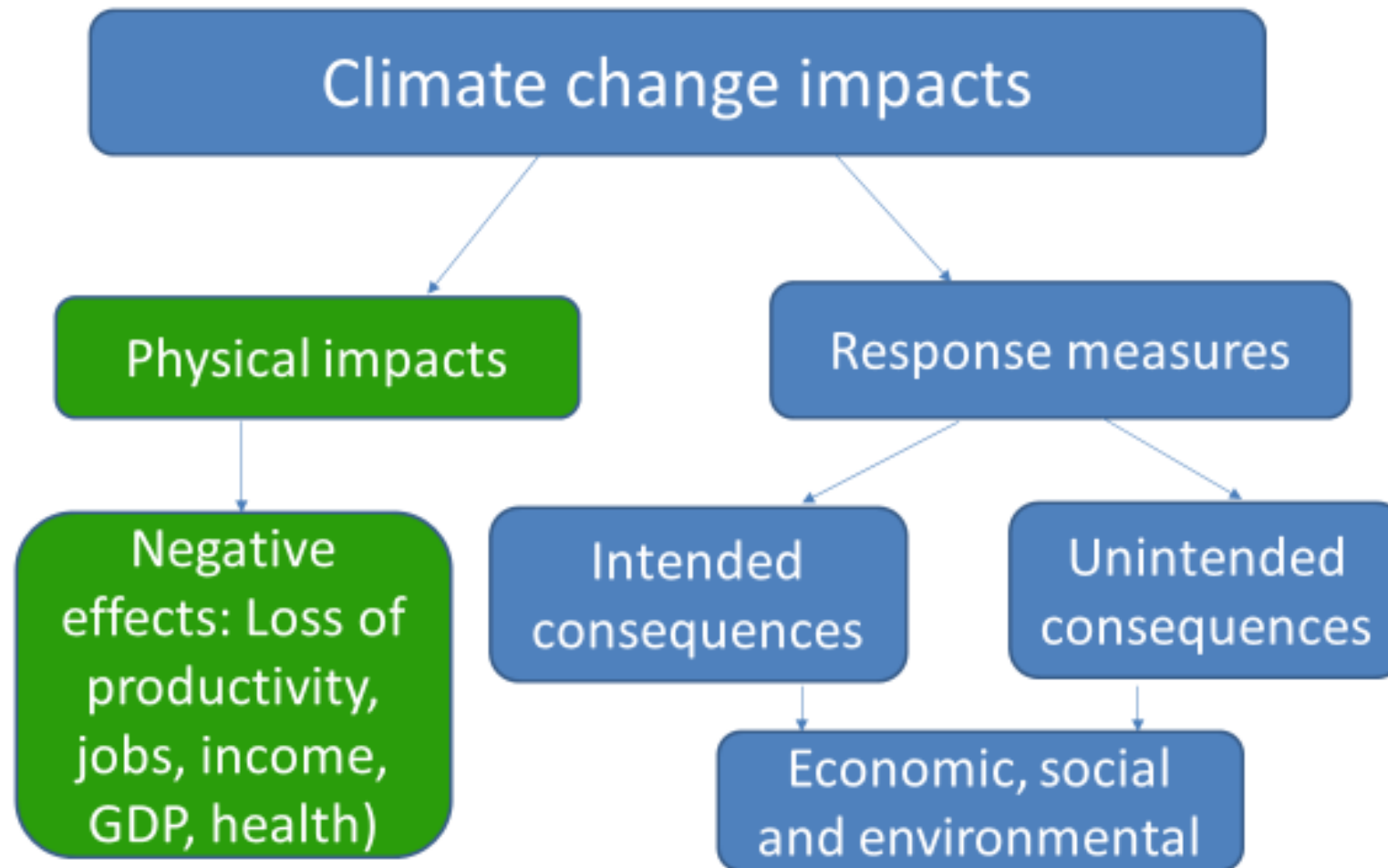
1st meeting of the Employment Task Force
Berlin, 18 February 2022



G7 GERMANY

Risks ar

ople



▶ Reinforcing social protection systems to ensure a socially just transition

- ▶ **Maintain and strengthen social protection systems in their core functions**
 - ▶ Closing coverage and adequacy gaps, ensuring system's sustainability/adaptability
- ▶ **Reinforce key social protection schemes:**
 - ▶ Unemployment protection
 - ▶ Social assistance, including housing and energy benefits
 - ▶ Social health protection (social insurance)
- ▶ **Strengthen links with skills development and active labour market policies**

Decarbonization: The role of social protection



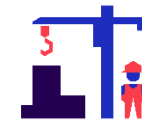
Electricity



Housing



Transport



Industry



Land use

E.g.

- ▶ unemployment protection
- ▶ income support, disability benefits
- ▶ Severance pay
- ▶ Wage insurance

- ▶ heating and electricity benefits
- ▶ link to energy efficiency measures, adequate housing

- ▶ free/subsidized sust. public transport
- ▶ Social assistance



- ▶ unemployment protection + social assistance as needed
- ▶ health protection
- ▶ grants for training (or work-related items)

- ▶ public employment for green land use / managing resources
- ▶ (complementary) cash/in-kind benefits

▶ Lessons learnt from country experience (I)



▶ Coal phaseout (Germany)

- Building on existing social protection mechanisms, providing predictability and regularity
- Combination of unemployment protection and support for labour market integration to provide time and resources for e.g. reskilling



▶ Strategy to Combat Energy Poverty (Spain)

- Combining protection of vulnerable households and energy-efficient housing
- Reinforced by IMV/guaranteed minimum income scheme

▶ Lessons learnt from country experiences (II)

▶ Automotive Industry Structural Adjustment (Australia)

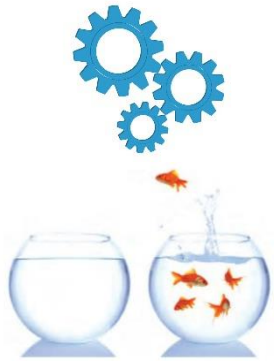


Among retrenched workers:

- 1/3 of workers maintain jobs and careers
- 1/3 drop back to less skilled jobs with inferior work arrangements
- 1/3 exit the labour force

For successful transitions, important to look to a broad portfolio of programmes that brings together labour market responses with place-based policies that empower communities.

Policy considerations



- ▶ **Need for a systematic approach: social protection systems** as part of the broader policy package to support the structural transformation.
- ▶ **Beyond compensation:** actively facilitate labour market mobility and support the structural transformation of national economies.
- ▶ **Beyond return to the labour force:** key to ensure the **quality of jobs** and extent to which workers are able to build on their skills in similar types of jobs
- ▶ **Beyond adverse impacts of green policies,** social protection to prevent/protect from current/future climate change-related risks

